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Pro-Neuron, Inc.

16020 Industrial Drive, Gaithersburg, MD 20877 (301) 984-8554 / 984-8000 Fax: (301) 984-9417

October 8, 1998

Robert K. Naviaux, MD, PhD
11760 Calamar Drive
San Diego, CA 92124

Dear Dr. Naviaux:

Pro-Neuron, Inc. (hereinafter "PRO-NEURON") is interested in retaining you as a consultant upon the terms and conditions set forth in this letter within the field of PN401 for treatment of mitochondrial disease (hereinafter the "FIELD").

1. Your consulting services will be under the direction and supervision of Reid von Borstel, PhD, or his designee, and your responsibilities shall include:
 - (a) advising and informing PRO-NEURON of developments within the FIELD;
 - (b) assisting PRO-NEURON in solving research, development, and other problems within the FIELD;
 - (c) making suggestions and recommendations for new products and for improving and modifying compounds, preparations, and processes of interest to PRO-NEURON and related to the FIELD; and
 - (d) performing such evaluations of PRO-NEURON products within the FIELD as shall be requested by PRO-NEURON.

You agree that you will be available for consultation with PRO-NEURON by correspondence or telephone calls, the latter at PRO-NEURON's expense, and when necessary, by meetings at mutually agreed times and locations. You further agree that you will make such reports to PRO-NEURON as are reasonable and necessary to fulfill your consulting obligations.

2. The period of this consulting Agreement shall be from October 1, 1998 to September 30, 1999, and for any additional periods agreed to by the parties

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3. In consideration of the services performed by you under this consulting Agreement, PRO-NEURON agrees to pay you the sum of One Thousand Dollars (\$1,000.00) per day for consulting done at PRO-NEURON's request, upon submission of a monthly statement to PRO-NEURON documenting your actual consulting services. The total sum of such consulting services is not to exceed Twenty-Four Thousand Dollars (\$24,000.00) per term of this Agreement.
4. In addition to compensation for your consulting services provided in Paragraph 3, PRO-NEURON will reimburse you for reasonable out-of-pocket travel and living expenses incurred by you at PRO-NEURON's request, upon submission of a statement to PRO-NEURON documenting the expenses incurred.
5. In providing your consulting services to PRO-NEURON, you may acquire from PRO-NEURON confidential information with respect to materials, compounds, formulations, processes, methods, devices, apparatus, preparations, results from ongoing investigations, results from negotiations with government agencies, and present and future plans of PRO-NEURON. With respect to any such information you acquire from PRO-NEURON, or information you develop as a result of providing your consulting services to PRO-NEURON, you agree that you will not divulge such information without PRO-NEURON's written consent and that you will not use such information for any purpose not specifically agreed upon in writing with PRO-NEURON for a period of five (5) years from the date of your receipt of such information unless or until:
 - (a) said information shall be or become a matter of public knowledge in a single publication through no fault of yours; or
 - (b) said information shall have in its entirety been known to you as shown by written records prior to its receipt from PRO-NEURON; or
 - (c) said information shall be disclosed to you in its entirety by a third party who is not under any obligation of confidentiality to PRO-NEURON.

Upon completion or termination of the consulting period, you agree to promptly return all PRO-NEURON confidential information.

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6. If you wish to publish or present scientific articles or papers relating to research in the FIELD, you agree to submit such proposed articles and papers to PRO-NEURON for its review and possible action to protect patent rights at least thirty (30) days prior to submission for publication, and PRO-NEURON shall have the right to remove confidential information. Upon PRO-NEURON's request, publication will be delayed up to sixty (60) additional days to enable PRO-NEURON to secure adequate intellectual property protection. PRO-NEURON further agrees to review portions of the proposed publications, as you make such portions available, and to conduct its review of such portions in a manner comparable to its review of complete proposed publications.
7. It is understood and agreed that any and all inventions and discoveries, whether or not patentable, which you make or conceive and reduce to practice:
 - (i) in the direct performance period of this Agreement or any extensions thereof and which are directly related to any question or problem with respect to which PRO-NEURON has utilized your services under this Agreement, or
 - (ii) as a result of confidential information received from PRO-NEURON,shall be the sole and exclusive property of PRO-NEURON, and that you will, upon request of PRO-NEURON, promptly execute all applications, assignments, or other instruments which PRO-NEURON deems necessary in order to apply for and obtain letters patent in the United States and foreign countries on said inventions and discoveries, and in order to assign and convey to PRO-NEURON the sole and exclusive right, title, and interest in and to said inventions, discoveries, patent applications, and patents thereof. It is understood that PRO-NEURON will bear the cost of patent applications and assignments and the cost of prosecution of all such patent applications in the United States Patent Office and in the patent offices of foreign countries.
8. You agree that during the consulting period of this Agreement, you will not enter into another consulting Agreement with a third party within the FIELD.
9. This Agreement may be terminated at any time by either you or PRO-NEURON upon thirty (30) days prior written notice; provided however, that upon such termination you shall remain obligated to PRO-NEURON pursuant to Paragraphs 5 and 7 above.
10. You warrant that you are permitted to enter into this Agreement and that the terms of this Agreement are not inconsistent with your present employment or other contractual obligations.
11. Your relationship with PRO-NEURON shall be that of an independent contractor, and you will not be an employee of PRO-NEURON for any purpose whatsoever.

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12. You agree that during the term of this Agreement, you will not disclose to PRO-NEURON any information which is confidential or proprietary to any third party.

If the foregoing is acceptable, please indicate your acceptance by signing both copies of this letter Agreement and return one (1) executed original for our files.

Very truly yours,

Reid von Borstel

Reid von Borstel, PhD
Senior Vice President

* Signed in sole capacity as an
Officer of Pro-Neuron and not
in any individual capacity.

ACCEPTED AND AGREED TO:

R.K. Naviaux

Robert K. Naviaux, MD, PhD

Date: 11-17-98

Social Security Number: 546-08-2735

Reviewed by Originator: _____
Reviewed by Legal: _____

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Pro-Neuron, Inc.
CONTRACT PURCHASE REQUISITION LOG

PO Number	Vendor Name	Contract Number/ Type of Agreement	Requisitioner	Date Issued
K95108	Karen McGowan	98.0123 Consulting	Reid von Borsig	11/16/98
K95109	Robert K. Navizuk	98.0124	Reid von Borsig	

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PRO-NEURON, INC.
160020 Industrial Drive, Gaithersburg, MD 20878

16020 Industrial Drive, Gaithersburg, MD 20877

PURCHASE REQUISITION

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